

Candriam Sustainable Global Equity Fund

Quarterly performance update

September 2025

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Market Review

The third quarter of 2025 saw positive returns across major asset classes as trade tensions subsided, AI euphoria continued, and expectations of near-term rate cuts from the Fed ramped up. In equities, growth stocks beat their value peers as excitement around the tech sector ratcheted higher. Emerging market stocks outperformed developed market stocks, with the Chinese market leading the charge, buoyed by the extension of the US-China trade truce and AI optimism. Bond markets were volatile throughout the quarter as global political uncertainty and concerns around fiscal sustainability came into focus. In the US, Short-term Treasury yields fell as market attention shifted from upside inflation risks to downside growth risks.

Key Stock Contributors and Detractors

During the quarter, at a stock level, the Fund derived positive performance from TE Connectivity, Apple and Alphabet.

TE Connectivity is an overweight position in Information Technology due to its good score on Volatility. TE Connectivity provides industrial technology solutions. The Company offers a broad range of connectivity and sensor solutions that enable the distribution of power, signal, and data for transportation, renewable energy, data centres, medical technology and automated factories. TE Connectivity shares outperformed by 23.2% vs the MSCI World in Q3'25 helped by strong earnings, above-industry growth rates, effective financial management and earnings upgrades. Candriam's ESG rating is 5.

Apple is an overweight position in Information Technology due to its good score on Quality. Apple designs, manufactures, and markets smartphones, personal computers, tablets, wearables and accessories, and sells a variety of related accessories. The company also offers payment, digital content, cloud and advertising services. Apple shares outperformed the MSCI World index by 16.9% in Q3'25 helped by strong financial results, growth in services segment, announcements of strategic investments in US manufacturing and infrastructure lowering their tariff risk, and positive market sentiment in anticipation of new product launches such as iPhone 17 and expectations for a strong holiday quarter. Candriam's ESG rating is 5.

Alphabet is an overweight position in Communication Services due to its strong scores on Value and Quality. Alphabet operates as a holding company. The company, through its subsidiaries, provides web-based search, advertisements, maps, software applications, mobile operating systems, consumer content, enterprise solutions, commerce and hardware products. Google outperformed the MSCI World by 30.7% in Q3, helped by strong Google cloud performance, favourable antitrust court ruling, strategic partnership with Meta platforms, and overall financial strength and strategic investments. Candriam's ESG rating is 5.

Three stocks that contributed negatively to excess return during the period included Monday.com, Colgate-Palmolive and Cintas.

Monday.com is an overweight position in Information Technology due to its good score on Volatility. Monday.com provides software solutions. The company offers a cloud-based platform that allows users to centralise all work, processes, tools, and files into one work OS, and to connect teams, bridge silos and maintain one source. Monday.com serves customers worldwide. Monday.com underperformed the MSCI World index by 45.8% in Q3. Shares underperformed following results due to slowing growth guidance for Q3 and the full year, which spurred market scepticism about near-term prospects despite ongoing investments in AI and product developments. Candriam's ESG rating is 4.

Colgate-Palmolive is an overweight position in Consumer Staples due to its good score on Quality. Colgate-Palmolive is a consumer products company that markets its products throughout the world. Colgate-Palmolive shares underperformed the MSCI World by 18.9% in Q3, due to downward revision of its FY25 organic sales growth forecast as a result of softening consumer demand, margin pressures as a result of increased raw material costs and tariffs not offset by new productivity program, and consequent downwards earnings revisions from sell-side analysts. Candriam's ESG rating is 4.

Cintas is an overweight position in Industrials due to a good score on Quality and Sentiment. Cintas designs, manufactures, and implements corporate identity uniform programs. The company provides uniforms and work apparel, as well as entrance mats, restroom supplies, promotional products, document management, fire protection, and first aid and safety services. Cintas shares underperformed the MSCI World index by 15.1% in Q3 as the market grew weary of the US labour market outlook. Candriam's ESG rating is 5.

Fund Characteristics

Returns¹ as at 30 September 2025

Period	Fund Return % Net	Bench- mark ² %	Out/Under performance % Net
1 month	1.55	1.93	-0.38
3 months	6.64	6.07	0.57
6 months	13.96	12.43	1.53
1 year	23.26	22.73	0.53
2 years pa	23.35	22.96	0.39
3 years pa	21.77	22.47	-0.70
5 years pa	16.08	16.22	-0.13
7 years pa	13.44	13.36	0.08
10 years pa	12.46	13.08	-0.62
15 years pa	13.43	13.87	-0.44
20 years pa	8.48	9.28	-0.80
Since inception pa Date: December 2002	7.98	8.68	-0.69

Past performance is not a reliable indicator of future performance.

Top 10 Stock Holdings

Holding	Country	Sectors	%
Nvidia	United States	Information Technology	7.06
Microsoft	United States	Information Technology	6.35
Apple	United States	Information Technology	6.24
Alphabet - Class A	United States	Communication Services	2.50
Alphabet - Class C	United States	Communication Services	2.32
Mastercard	United States	Information Technology	2.11
Visa	United States	Information Technology	1.75
Novartis	Switzerland	Health Care	1.70
Broadcom	United States	Communication Services	1.42
ASML Holdings	Netherlands	Information Technology	1.29

1. Fund returns are net of fees but before taxes, assuming the reinvestment of distributions.
2. MSCI World Index (Net Dividends Reinvested) \$A - unhedged.

Fund Information

Benchmark	MSCI World (net dividends reinvested) in A\$
NAV Calculation	Daily
Currency Risk	Unhedged



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